

Ac-1619

# **PRIME HEALTH LIMITED**

**Annual Returns  
To The  
Department Of  
Trade & Industry  
Under Insurance  
Companies  
Legislation**

**For the Financial  
Year Ended  
15 November 1995**



## PRIME HEALTH LIMITED

### ANNUAL RETURNS TO THE DEPARTMENT OF TRADE AND INDUSTRY UNDER INSURANCE COMPANIES LEGISLATION FOR THE FINANCIAL YEAR ENDED 15TH NOVEMBER 1995.

#### CONTENTS

<u>FORM</u>	<u>PAGE</u>
9 Statement of Solvency	1
10 Statement of net assets	3
11 Calculation of required margin of solvency - first method	4
12 Calculation of required margin of solvency - second method	5
13 Analysis of admissible assets	6
13A Analysis of derivative contracts	9
15 Liabilities	10
16 Statement of other income and expenditure	11
20 General business revenue account	12
21 Analysis of premiums	14
22 Analysis of claims and expenses	16
23 Analysis of claims outstanding net of reinsurance recoveries	17
30 Summary of reinsurance ceded	18
31 Analysis of exposure to risk measured by premiums	19
33 Analysis of claims by number and cost	20
Appendix A	24
Notes to the returns	30
Additional information on shareholder controllers	32
Statement required by Regulations 17 to 19 of the Insurance Companies (Accounts and Statements) Regulations 1983	33
Directors' certificate	34
Report of the Auditors	36

## Statement of solvency

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

Company  
registration  
numberGlobal /  
UK/CMPeriod ended  
day month year

Units

For  
official  
use

F9	2123483	GL	15	11	1995	£000	
----	---------	----	----	----	------	------	--

	As at the end of the financial year 1	As at the end of the previous year 2	Source  Form/Line/Column
--	--	---	--------------------------------

## GENERAL BUSINESS

## Available assets

Other than long term business assets allocated towards general business required minimum margin	11	21,563	17,381	See Instructions 1 and 2 below
---	----	--------	--------	-----------------------------------

## Required minimum margin

Required minimum margin for general business	12	8,262	6,246	12.49
Excess (deficiency) of available assets over the required minimum margin (11-12)	13	13,301	11,135	
Implicit items admitted under regulation 23(5) of the Insurance Companies Regulations 1994	14			

## LONG TERM BUSINESS

## Available assets

Long term business admissible assets	21			10.11
Other than long term business assets allocated towards long term business required minimum margin	22			See Instructions 1 and 3 below
Total mathematical reserves (after distribution of surplus)	23			See Instruction 4 below
Other insurance and non-insurance liabilities	24			See Instruction 5 below
Available assets for long term business required minimum margin (21+22-23-24)	25			

## Implicit items admitted under regulation 23(5) of the Insurance Companies Regulations 1994

Future profits	31			
Zillmerising	32			
Hidden reserves	33			

Total of available assets and implicit items (25+31+32+33)	34			
--	----	--	--	--

## Required minimum margin

Required minimum margin for long term business	41			60.13
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42			
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	43			
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	44			

## Statement of solvency

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

F9	Company registration number	Global / UK/CM	Period ended			Units	For official use
			day	month	year		
	2123483	GL	15	11	1995	£000	
		As at the end of the financial year 1	As at the end of the previous year 2			Source  Form/Line/Column	

## ALLOCATION OF OTHER THAN LONG TERM BUSINESS ASSETS

Other than long term business assets allocated towards general business required minimum margin	51			
Other than long term business assets allocated towards long term business required minimum margin	52			
Net other than long term business assets (51+52)	53			10.29

## CONTINGENT LIABILITIES

Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	60	-	-	See Instruction 6 below
Quantifiable contingent liabilities in respect of long term business as shown in a supplementary note to Form 14	61			See Instruction 6 below

## Instructions

- (1) For a composite company, the whole Form shall be completed, with entries at lines 11 and 22 being equal to the entries at lines 51 and 52 respectively.
- (2) For a company transacting only general business, only lines 11 to 14 and line 60 shall be completed, with the entry at line 11 being equal to the entry at Form 10 line 29.
- (3) For a company transacting only long term business, only lines 21 to 44 and lines 60 and 61 shall be completed, with the entry at line 22 being equal to the entry at Form 10 line 29.
- (4) The entry at line 23 shall be equal to the sum of lines 11 and 15 in Form 14 and the amount (if any) stated in a note to that form in accordance with Instruction 3 to that Form.
- (5) The entry at line 24 shall be equal to the total of lines 21 to 47 in Form 14 and the amount of any cash bonuses stated in a note to that Form in accordance with Instruction 2 to that Form.
- (6) The entries at lines 60 and 61 shall not include provision for any liability to tax on capital gains referred to in paragraph 10(2)(b) of Schedule 1.

P J DALBY  
DIRECTORS L EVANS  
DIRECTORT R BAILEY  
SECRETARY

## Statement of net assets

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

	Company registration number	Global / UK/CM	Period ended			Units	For official use
			day	month	year		
	F10	2123483	GL	15	11	1995	£000
							Source
							Form/Line/Column
		As at the end of the financial year 1				As at the end of the previous year 2	
Long Term business-admissible assets	11						13.93
Long Term business-liabilities and margins	12						14.59

Other than Long Term business-admissible assets	21	60,329	49,190	13.93
Other than Long Term business-liabilities	22	38,766	31,809	15.59
Net admissible assets (21-22)	27	21,563	17,381	
Unpaid capital-as per line 53	28	-	-	
Net assets (27+28)	29	21,563	17,381	

Authorised share capital	41	25,000	25,000	
--------------------------	----	--------	--------	--

Paid up share capital	51	25,000	25,000	
Share premium account	52	-	-	
Unpaid amounts (including share premium) on partly paid shares within the limits allowed by Regulation 23 of the Insurance Companies Regulations 1994	53	-	-	
Amounts representing the balance of net assets	54	(3,437)	(7,619)	
Total (51 to 54) and equal to line 29 above	59	21,563	17,381	

## Instruction

The entry at line 54 shall include -

- (a) cumulative preference share capital, to the extent that liabilities in respect of such capital are left out of account in accordance with regulation 23(3) of the Insurance Companies Regulations 1994; and
- (b) subordinated loan capital where, and to the extent that, the Secretary of State has, in accordance with Section 68 of the Act (power to modify Part II in relation to particular companies), directed that the company may count such capital towards its minimum margin, and the amounts so included shall be stated in a note.

## General business: Calculation of required margin of solvency - first method

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

		Company registration number	Global / UKCM	Period ended			Units	For official use
		F11	2123483	GL	15	11	1995	£000
				The financial year 1	Previous year 2		Source Form/Line/Column	
Gross premiums receivable		11	67,930	62,816	See Note below			
Premium taxes and levies (included in line 11)		12	204	337				
Sub-total A (11-12)		13	67,726	62,479				
Adjusted Sub-total A if financial year is not a 12 month period to produce an annual figure		14	77,401	-				
Division of Sub-total A (or adjusted Sub-total A if appropriate)	Other than health insurance	Up to and including sterling equivalent of 10M ECU x 18/100	15	1,407	1,407			
		Excess (if any) over 10M ECU x 16/100	16	11,134	8,746			
	Health insurance	Up to and including sterling equivalent of 10M ECU x 6/100	17	-	-			
		Excess (if any) over 10M ECU x 16/300	18	-	-			
Sub-total B (15+16+17+18)		19	12,540	10,153				
Claims paid		21	41,206	38,872				
Claims outstanding carried forward at the end of the financial year	For business not accounted for on a one-year basis	22	-	-				
	For business accounted for on a one-year basis	23	8,694	7,337				
Claims outstanding brought forward at the beginning of the financial year	For business not accounted for on a one-year basis	24	-	-				
	For business accounted for on a one-year basis	25	7,337	6,061				
Sub-total C (21+22+23-(24+25))		29	42,563	40,148				
Amounts recoverable from reinsurers in respect of claims included in Sub-total C		30	14,520	15,449				
Sub-total D (29-30)		39	28,043	24,699				
First result	Sub-total B x Sub-total D Sub-total C (or, if 1/2 is a greater fraction, x 1/2)	41	8,262	6,246				

## Note

In respect of business not accounted for on a one year basis, the provision for claims outstanding brought forward at the beginning of the financial year in question and recorded in line 24, column 1 shall be computed as if it took account of all premiums receivable in respect of previous financial years, whether or not those premiums had been received at that date.

**General business: Calculation of required margin of solvency - second method, and statement of required minimum margin**

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

		Company registration number	Global / UK/CM	Period ended			Units	For official use
		F12	2123483	GL	15	11	1995	£000
				The financial year 1	Previous year 2		Source Form/Line/Column	
Reference period (No. of financial years) Insert "3" or "7" here		3	11					See Note
Claims paid in reference period		21	110,853		96,485			
Claims outstanding carried forward at the end of the reference period	For business not accounted for on a one-year basis	22	-		-			
	For business accounted for on a one-year basis	23	8,694		7,337			
Claims outstanding brought forward at the beginning of the reference period	For business not accounted for on a one-year basis	24	643		-			
	For business accounted for on a one-year basis	25	3,302		694			
Sub-total E (21+22+23-(24+25))		29	115,602		103,128			
Sub-total F - Conversion of Sub-total E to annual figure (Multiply by 12 and divide by number of months in reference period)		31	40,209		34,376			
Division of Sub-total F	Other than health insurance	Up to and including sterling equivalent of 7M ECU x 26/100	32	1,422		1,422		
		Excess (if any) over 7M ECU x 23/100	33	7,990		6,648		
	Health insurance	Up to and including sterling equivalent of 7M ECU x 26/300	34	-		-		
		Excess (if any) over 7M ECU x 23/300	35	-		-		
		Sub-total G (32+33+34+35)		39	9,412		8,071	
Second result	Sub-total G x Sub-total D Sub-total C (or, if 1/2 is a greater fraction, x 1/2)	41	6,201		4,965			

First result	42	8,262	6,246	11.41
Required margin of solvency (the higher of lines 41 and 42)	43	8,262	6,246	

Minimum guarantee fund	44	313	313	
------------------------	----	-----	-----	--

Required minimum margin (the higher of lines 43 and 44)	49	8,262	6,246	
---	----	-------	-------	--

**Note**

1. If the company has not been in existence long enough to acquire a reference period, this shall be stated and lines 11 to 41 ignored.

2. In respect of business not accounted for on a one year basis, the provision for claims outstanding brought forward at the beginning of the reference period and recorded in line 24, column 1 shall be computed as if it took account of all premiums receivable in respect of previous financial years, whether or not those premiums had been received at that date.

Returns under Insurance Companies Legislation  
 Analysis of admissible assets  
 Name of Company Prime Health Limited  
 Global business  
 Business: Other than Long Term  
 Financial year ended 15.11.95

Company registration number F13 2123483  
 Global / UKCM GL  
 Period ended day 15 month 11 year 1995  
 Category of assets 1  
 For official use 2

Category of Assets		Total	F13	2123483	GL	15	11	1995	£000	As at the end of the financial year 1	As at the end of the previous year 2
Admissible assets											
Fixed interest securities	Land								11	-	-
	Issued by, or guaranteed by, any government or public authority	Other fixed interest securities except those in dependants which must be included in lines 29 to 34 and any to be included in lines 61 or 62	listed	unlisted debentures	other unlisted				12	10,537	9,798
									13	-	-
									14	-	-
Variable interest securities except those included at lines 21 to 34	Issued by, or guaranteed by, any government or public authority, except those included at line 17	Issued by, or guaranteed by, any government or public authority, where the capital value or interest is determined by an index of prices							15	-	-
									16	-	-
									17	-	-
									18	-	-
Other variable yield investments	Shares except those in dependants which must be included in lines 29, 31 or 33		listed	unlisted					21	-	-
									22	-	-
	Holdings in collective investment schemes within the meaning of the Financial Services Act 1986								23	-	-
Investments in dependants	Companies authorised to transact insurance business in the United Kingdom		Value of any shares held	Debts, other than amounts which must be included in lines 41 or 51 to 54					29	-	-
									30	-	-
	Other insurance companies		Value of any shares held	Debts, other than amounts which must be included in lines 41 or 51 to 54					31	-	-
									32	-	-
	Non-insurance companies		Value of any shares held	Debts, other than amounts which must be included in lines 41 or 51 to 54					33	-	-
									34	-	-
Rights under derivative contracts								35	-	-	
Total (11 to 35)								39	10,537	9,798	



Company registration number		Global / UK/CM	Period ended		Units	Category of assets	For official use
F13	2123483	GL	15	11	1995	£000	1
Category of Assets							2
Total							As at the end of the financial year
<b>Admissible assets</b>							
Loans secured by policies of insurance issued by the company							41
Tax recoveries due from taxation authorities							42
Deposits and current accounts with approved credit institutions, and approved financial institutions, and deposits with local authorities							43
Other							44
Insurance debts including those due from dependants and individuals							51
Current accounts and amounts on deposit for a fixed term of, or on deposit and withdrawable after giving notice of, 12 months or less after the end of the financial year, and certificates of deposit maturing during that period							52
Premium income in respect of direct insurance and facultative reinsurance contracts accepted not yet paid to the company less commission payable thereon							53
Amounts due from ceding insurers and intermediaries under reinsurance treaties accepted							54
Amounts due from reinsurers and intermediaries under reinsurance contracts ceded							61
Recoveries due by way of salvage or from other insurers in respect of claims paid other than recoveries under reinsurance contracts ceded							62
Debts fully secured on land except listed debentures (which must be included in line 13), debts due from dependants (which must be included in lines 30, 32 or 34), and debts due from individuals (which must be included in lines 64 or 66)							63
due more than 12 months after the end of the financial year							64
due in 12 months or less after the end of the financial year, or which would become due if the company exercised any right to require repayment within that period							65
due from companies and unincorporated bodies of persons							66
due from individuals							69
Total (41 to 66)							38,686

Global business										Category of assets	Units	For official use					
Business: Other than Long Term																	
Financial year ended 15.11.95																	
Company registration number										GL	15	11	1995	£000	1	As at the end of the financial year	As at the end of the previous year
Global / UK/OM																	
F13 2123483																	
Category of Assets										Total							
Admissible assets																	
Shares in Building Societies and Industrial and Provident Societies																	
Cash										71 -							
Computer equipment										72 -							
Other office machinery, furniture, motor vehicles and other equipment										81 675 416							
Life interests, reversionary interests and similar interests in property										82 183 290							
Linked assets										83 -							
linked assets in internal linked funds (as shown in line 12 on Form 49)										85 -							
other linked assets										86 -							
Deduction for inadmissible assets										87 -							
Total of Sheet 1 (13.39)										91 10,537 9,798							
Total of Sheet 2 (13.69)										92 48,934 38,686							
Gross Total of admissible assets (71 to 92)										93 60,329 49,190							

Total of assets valued in accordance with valuation regulations which would have been included in one of the headings above but for the admissibility limits applied by which certain assets are required to be taken into account only to a specified extent	94	-	4,520
Amount included in line 93 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance	95	-	-

Instructions for completion of Form 13 are printed on the reverse of this sheet.

## Analysis of derivative contracts

Name of Company Prime Health Limited

Global business

Business: Other than Long Term

Financial year ended 15.11.95

Category of assets

	Company registration number	Global/ UK/CM	Period ended			Units	Category of assets	For official use
			day	month	year			
	F13A	2123483	GL	15	11	1995	£000	1
Derivative Contracts			As at the end of the financial year			As at the end of the previous year		
			Assets 1		Liabilities 2		Assets 3	Liabilities 4
Futures Contracts	Fixed-interest securities	11		-	-	-	-	-
	Equity Shares	12		-	-	-	-	-
	Land	13		-	-	-	-	-
	Currencies	14		-	-	-	-	-
	Other	15		-	-	-	-	-
Options	Fixed-interest securities	21		-	-	-	-	-
	Equity Shares	22		-	-	-	-	-
	Land	23		-	-	-	-	-
	Currencies	24		-	-	-	-	-
	Other	25		-	-	-	-	-
Contracts for Differences	Fixed-interest securities	31		-	-	-	-	-
	Equity Shares	32		-	-	-	-	-
	Land	33		-	-	-	-	-
	Currencies	34		-	-	-	-	-
	Other	35		-	-	-	-	-
Adjustment for margins		41		-	-	-	-	-
Provision for adverse changes in value		42			-			-
Total (11 to 42)		51		-	-	-	-	-

## Liabilities (other than Long Term Business)

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

Company  
registration  
numberGlobal /  
UK/CMPeriod ended  
day month year

Units

For  
official  
use

F15	2123483	GL	15	11	1995	£000	
-----	---------	----	----	----	------	------	--

		As at the end of the financial year 1	As at the end of the previous year 2	Source Form/Line/Column
General business technical reserves	Unearned premiums	21	21,777	16,643
	Additional amount for unexpired risks	22	-	-
	Claims outstanding (less amounts recoverable from reinsurers)	Reported claims 23	4,846	3,648
		Claims incurred but not reported 24	796	823
	Expenses for settling claims outstanding	25	300	250
	Funds	26	-	-
	Claims equalisation	Other than credit business 27	-	-
		Credit business 28	-	-
	Other	29	-	-
	Total (21 to 29)	30	27,719	21,364
Other insurance liabilities	Amounts due in respect of direct insurance and facultative reinsurance contracts accepted except amounts which must be included in line 30	31	-	-
	Amounts due to ceding insurers and intermediaries under reinsurance treaties accepted except amounts which must be included in line 30	32	-	-
	Amounts due to reinsurers and intermediaries under reinsurance contracts ceded	33	6,573	7,563
Other liabilities	Loans secured	41	-	-
	Loans unsecured	42	-	-
	Subordinated loan stock	43	-	-
	Taxation	44	297	407
	Recommended dividend	45	-	-
	Cumulative preference share dividend accrued	46	-	-
	Other creditors	47	4,178	2,475
Total (30 to 47)		59	38,766	31,809

Amounts included in line 59 attributable to liabilities to related companies,  
other than those under contracts of insurance or reinsurance

61	260	162
----	-----	-----

## Note

The sources are as follows:  
Line 21 All forms 21.29.6 +  
21.31.6 - (22.23.3 + 22.24.3  
- 22.25.3)  
Line 22 Summary form  
20.23

Line 23 All forms 22.31.3 +  
22.41.3  
Line 24 All forms 22.32.3 +  
22.42.3

Line 25 All forms 22.21.3 +  
22.22.3  
Line 26 All forms 24.42.5 +  
27.46.3

## Statement of other income and expenditure

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

		Company registration number	Global / UK/CM	Period ended			Units	For official use
		F16	2123483	GL	15	11	1995	£000
				The financial year 1	Previous year 2		Source Form/Line/Column	
Transfer from (to) Long Term Business Revenue Account	11			-				
Transfer from (to) General Business Revenue Account Summary	12			(2,282)	(1,338)		20.79	
Investment income receivable, before deduction of tax	13			1,771	990		See Note below	
Other income	14			1,163	68		See Note below	
<b>Total (11 to 14)</b>	<b>19</b>			652	(280)			
Management expenses	21			403	658		See Note below	
Interest payable, before deduction of tax	22			-				
Taxation, other than that applicable to long term business	23			-				
Dividends paid and/or recommended	24			-				
Other expenditure	25			204	444		See Note below	
<b>Total (21 to 25)</b>	<b>29</b>			607	1,102			
<b>Excess of income over expenditure (19-29)</b>	<b>39</b>			45	(1,383)			

## Note

The amounts at lines 13, 14, 21 and 25 exclude any amounts included elsewhere in the returns.

## General business: Revenue Account

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

Company registration number	Global UKCM	Period ended day month year	Accounting class/ summary	For official use
F20	2123483	GL 15 11 1995	£000 99	

## Summary

Items to be shown net of outwards reinsurance		The financial year 1	Previous year 2	Source Form/Line/Column	
Underwriting income	Unearned premiums brought forward from previous years and earned in the financial year	11	20,199	17,612	21 . 31 . 5
	Premiums receivable earned in the financial year	12	20,822	19,070	21 . 29 . 5
	Additional amount for unexpired risks brought forward	13	-	-	
	Total (11+12+13)	19	41,021	36,682	
Underwriting expenditure	Claims paid and outstanding arising from incidents occurring in the financial year	21	28,121	24,430	22 . 16 . 4
	Expenses incurred in respect of the financial year	22	15,231	13,378	22 . 26 . 4
	Additional amount for unexpired risks carried forward	23	-	-	
	Total (21+22+23)	29	43,352	37,808	
Balance of year's underwriting (19-29)		39	(2,331)	(1,125)	
Other underwriting adjustments	Premiums receivable but earned in previous financial years	41	(8)	12	21 . 11 . 5
	Increase (decrease) in the financial year in the estimated cost of claims arising from incidents occurring in previous financial years	42	(77)	269	22 . 13 . 4
	Increase (decrease) in the financial year in expenses for settling claims outstanding at the end of the previous financial year	43	21	(43)	22 . 21 . 4
	Balance (41-42-43)	49	48	(214)	
Funded business	Premiums receivable	51	-	-	24 . 19 . 5 27 . 19 . 3
	Claims paid	52	-	-	24 . 29 . 5 27 . 29 . 3
	Total expenses	53	-	-	24 . 39 . 5 27 . 39 . 3
	Increase (decrease) in funds in the financial year	54	-	-	24 . 49 . 5 27 . 49 . 3
	Balance (51-52-53-54)	59	-	-	
Balance of all years' underwriting (39+49+59)		69	(2,282)	(1,338)	
Other attributed income and expenditure	Investment income receivable before deduction of tax	71	-	-	
	Other expenditure	72	-	-	
Transfer to (from) statement of other income and expenditure (69+71-72)		79	(2,282)	(1,338)	

## General business: Revenue Account

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

Company registration number	Global UKCM	Period ended day month year	Accounting class/ summary	For official use
F20	2123483	GL 15 11 1995	£000 1	

Accounting class: Accident &amp; Health

Items to be shown net of outwards reinsurance		The financial year 1	Previous year 2	Source Form/Line/Column
Underwriting income	Unearned premiums brought forward from previous years and earned in the financial year	11	20,199	17,612 21 . 31 . 5
	Premiums receivable earned in the financial year	12	20,822	19,070 21 . 29 . 5
	Additional amount for unexpired risks brought forward	13	-	-
	Total (11+12+13)	19	41,021	36,682
Underwriting expenditure	Claims paid and outstanding arising from incidents occurring in the financial year	21	28,121	24,430 22 . 16 . 4
	Expenses incurred in respect of the financial year	22	15,231	13,378 22 . 26 . 4
	Additional amount for unexpired risks carried forward	23	-	-
	Total (21+22+23)	29	43,352	37,808
Balance of year's underwriting (19-29)		39	(2,331)	(1,125)
Other underwriting adjustments	Premiums receivable but earned in previous financial years	41	(8)	12 21 . 11 . 5
	Increase (decrease) in the financial year in the estimated cost of claims arising from incidents occurring in previous financial years	42	(77)	269 22 . 13 . 4
	Increase (decrease) in the financial year in expenses for settling claims outstanding at the end of the previous financial year	43	21	(43) 22 . 21 . 4
	Balance (41-42-43)	49	48	(214)
Funded business	Premiums receivable	51	-	- 24 . 19 . 5 27 . 19 . 3
	Claims paid	52	-	- 24 . 29 . 5 27 . 29 . 3
	Total expenses	53	-	- 24 . 39 . 5 27 . 39 . 3
	Increase (decrease) in funds in the financial year	54	-	- 24 . 49 . 5 27 . 49 . 3
	Balance (51-52-53-54)	59	-	-
Balance of all years' underwriting (39+49+59)		69	(2,282)	(1,339)
Other attributed income and expenditure	Investment income receivable before deduction of tax	71	-	-
	Other expenditure	72	-	-
Transfer to (from) statement of other income and expenditure (69+71-72)		79	(2,282)	(1,339)

## General business: Analysis of premiums for direct insurance and facultative reinsurance business

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

Accounting class Accident &amp; Health

Financial year ended		Accounting class		15.11.95		Accident & Health		Company registration number		Global / UKCM		Period ended		Units		Accounting class		For official use	
F21		2123483		GL		15 11 1995		£000		1									
		Gross																	
		Earned in previous financial years		1				3		Reinsurance premiums payable				Earned in previous financial years		5		Net of reinsurance	
		11		(25)				(17)				(8)							
		in respect of risks incepted in previous years		1		2		3		4		6		6					
		12		(507)		(72)		(198)		(28)		(44)							
		13		484				128				356							
		14		-		-		-		-		-							
		15		-				-				-							
		16		3,128		629		826		166		463							
		17		3,929		1,270		1,038		336		934							
		18		5,397		2,712		1,427		716		1,996							
		19		3,430		2,321		906		613		1,708							
		20		3,363		3,283		889		867		2,416							
		21		3,507		4,834		927		1,277		3,557							
		22		1,899		3,701		502		978		2,723							

## Note

- for the normal financial year of 12 months, the amounts for each month are entered at lines 16 to 27, commencing with the first month at line 16;
- when there are more than twelve months in the financial year, the total amounts for the months before the last 12 months in the financial year are entered at line 15, the amounts for each of the last 12 months are entered at lines 16-27, starting with the first of the last 12 months at line 16;
- when there are less than 12 months in the financial year, amounts shall be entered for each month with the amounts for the last month of the financial year at line 27, with preceding months at lines 26, 25 etc.



## General business: Analysis of premiums for direct insurance and facultative reinsurance business

**Name of Company** **Prime Health Limited**

## Global business

Financial year ended 15.11.95

For

Accounting class

F21		2123483	GL	15	11	1995	£000		1														
Premiums receivable (less rebates and refunds) in the financial year																							
Gross				Reinsurance premiums payable				Net of reinsurance															
Eamed in the financial year 1				Unearned at end of the financial year 2				Eamed in the financial year 3				Unearned at end of the financial year 4				Eamed in the financial year 5				Unearned at end of the financial year 6			
In respect of risks incepted in the financial year for periods of 12 months	commencing in each of the last 12 months of the financial year	month 8	23	1,584	4,527	413	1,196	1,151	3,331														
			24	1,395	7,205	369	1,903	1,026	5,302														
			25	523	5,400	139	1,427	384	3,973														
			26	104	3,825	28	1,010	76	2,815														
			27	-	104	-	27	-	77														
in respect of risks incepted in the financial year for periods of more than 12 months			28	-	-	-	-	-	-														
Total (12 to 28)			29	28,216	39,739	7,394	10,488	20,822	29,251														
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year			31	31,973	579	11,774	209	20,199	370														
Amount included in col 1 of premiums which have not been analysed by date of inception of risk 7																							
Gross 1				Reinsurance premiums payable 3				Net of reinsurance 5															
Total premiums receivable (less rebates and refunds) in the financial year			41	67,930		17,865		50,065															
Total premiums at Line 41 attributable to			42	67,930		17,865		50,065															
Overseas			43	-		-		-															

**Note**

41.1 is 11.1 + 29.1 + 29.2

$$41.3 \text{ is } 11.3 + 29.3 + 29.4$$

**41.5 is  $11.5 + 29.5 + 29.6$**

**General business: Analysis of claims and expenses for direct insurance and facultative reinsurance business**

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

Accounting class

Company  
registration  
numberGlobal  
UK/CMPeriod ended  
day month year

Units

Accounting  
classFor  
official  
use

F22		2123483	GL	15	11	1995	£000	1	
				Amount brought forward from previous financial year 1			Amount payable/ receivable in the financial year 2	Amount carried forward to next financial year 3	Amount attributable to the financial year 4
Claims arising from incidents occurring in previous financial years	gross		11		7,337		6,227	665	(445)
	recoverable from reinsurers		12		2,866		2,166	332	(368)
	net (11-12)		13		4,471		4,061	333	(77)
Claims arising from incidents occurring in the financial year (including claims reported in the reconciliation return on Form 33)	gross		14		-		34,980	8,029	43,009
	recoverable from reinsurers		15		-		12,168	2,720	14,888
	net (14-15)		16		-		22,812	5,309	28,121
Expenses	expenses for settling claims arising from incidents occurring in previous financial years		21		250		261	10	21
	expenses for settling claims arising from incidents occurring in the financial year (including claims reported in the reconciliation return on Form 33)		22		-		1,470	290	1,760
	management expenses		23		4,014		14,020	5,856	12,178
	commission payable		24		3,123		6,289	3,801	5,611
	reinsurance commission receivable		25		3,212		2,919	1,813	4,318
	expenses in respect of the financial year (22 + 23 + 24 - 25)		26				18,860		15,231
	total (21 + 26)		29				19,121		15,252
Amount included in line 13 attributable to	reported claims		31					333	
	claims incurred but not reported		32					-	
Amount included in line 16 attributable to	reported claims		41					4,513	
	claims incurred but not reported		42					796	

**Notes**

- Any amounts included in 14.1, 15.1, 16.1 and 22.1 relate only to claims included in the reconciliation return on Form 33
- The values in column 4 are calculated as follows:  
for lines 11 to 22, values in columns 2 + 3 - 1  
for lines 23 to 25, values in columns 1 + 2 - 3

**General business: Analysis of claims outstanding net of reinsurance recoveries for direct insurance and facultative reinsurance business**

Name of Company Prime Health Limited

Global business

Financial year ended 15.11.95

		Company registration number	Global UK/CM	Period ended			Units	For official use
		F23	2123483	GL	15	11	1995	£000
Year of origin ended		Accounting class code		Claims outstanding (net) as at end of year of origin			Total claims paid (net) in all years since year of origin	Claims outstanding (net) at end of financial year
Month	Year			1			2	3

**Accounting class****Accident and Health**

	1995		11	5,309		5,309
	1994		12	4,116	4,036	150
	1993		13	3,505	3,442	39
	1992		14	1,930	2,078	144
	1991		15	400	446	-
	1990		16	426	403	-
	1989		17	398	635	-
Previous years			18	120	158	-
Reconciliation			19			-
Total			29			5,642

**Accounting class**

	19		11			
	19		12			
	19		13			
	19		14			
	19		15			
	19		16			
	19		17			
Previous years			18			
Reconciliation			19			
Total			29			

**Notes**

1 All figures are net of reinsurance recoveries

2 Line 19 relates to claims reported in the reconciliation return on Form 33. These claims are not included in lines 11 to 18.

3  $23.29.3 = 22.13.3 + 22.16.3$ 

Instructions for completion of this form are printed on the reverse

## General business: Summary of reinsurance ceded

Name of Company Prime Health Limited

Global business

Business: Other than Long Term

Financial year ended 15.11.95

Company registration number	Global / UK/CH	Period ended			Units
		day	month	year	
F30	2123483	GL	15	11	1995
					£000

Accounting class/ risk group	Description of reinsurance cover	Period covered (if different from financial year)	--- Ceding companies maximum net retention --- In respect of any one risk		Reinsurers' maximum	Cessation to reinsurers				Remarks
						permitted to do business in the U.K.	others	No. of reinsurers	Premiums payable	
Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11
							000			
Accident & Health	Quota share		50% of original loss		50% of original loss	5	17,865	-	-	
										17,865

## General business: Analysis of exposure to risk measured by premiums

Name of Company Prime Health Limited

Financial year ended 15.11.95

Country United Kingdom

Currency Sterling

Accounting class Accident and Health

	Company registration number	Period ended			Monetary units	Country	Accounting class	For official use
		day	month	year				
	F31	2123483	15	11	1995	£000	AA	1
Gross premiums receivable (less rebates and refunds) on direct insurance and facultative reinsurance business			Additional exposure attributable to previous financial years		Exposure in the financial year	Exposure carried forward to following financial years	Total gross premiums (1+2+3)	Total gross premiums expressed in sterling (£000)
			1	2	3	4	5	

Risk group Private Medical Insurance

in previous financial years		11			31,973	579	32,551	
in the financial year in respect of risks incepted in	previous financial years	12		(25)	(507)	(72)	(604)	(604)
	the financial year	13			28,723	39,811	68,534	68,534
Total (11+12+13)		19		(25)	60,189	40,318		67,930

Risk group

in previous financial years		11					-	
in the financial year in respect of risks incepted in	previous financial years	12					-	
	the financial year	13					-	
Total (11+12+13)		19		-	-	-		-

Risk group

in previous financial years		11					-	
in the financial year in respect of risks incepted in	previous financial years	12					-	
	the financial year	13					-	
Total (11+12+13)		19		-	-	-		-

Risk group

in previous financial years		11					-	
in the financial year in respect of risks incepted in	previous financial years	12					-	
	the financial year	13					-	
Total (11+12+13)		19		-	-	-		-

Instructions for completion of this form are printed on the reverse.

## General business: Analysis of claims by number and cost

Name of Company Prime Health Limited

Financial year ended 15.11.95

Country United Kingdom

Currency Sterling

Accounting class Accident and Health

Risk group Private Medical Insurance

		Company registration number	Period ended			Monetary units	Country	Accounting class	For official use			
		F33	2123483		15	11	1995	£000	AA	1		
For direct insurance and facultative reinsurance business					Number of claims		Amounts of payments made in the financial year	Amounts of payments made in previous financial years relating to claims in column 1	Estimates of payments remaining to be made	Total gross amount paid and outstanding (2+3+4)		
Claims attributable to year of origin ended					month year							
					10	11	1995	1	2	3	4	5
Claims closed in the financial year	at no cost (other than reopened claims)		11		1,849		-	-	-	-		
	at some cost (other than reopened claims)		12		17,376		27,454	-	-	27,454		
	reopened claims		13		-		-	-	-	-		
Claims outstanding at the end of the financial year	reported (other than reopened claims)		14		8,720		7,526	-	6,736	14,262		
	incurred but not reported (IBNR)		15		2,420				1,293	1,293		
	reopened claims		16		-		-	-	-	-		
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)			17		-			-	-	-		
Total claims attributable to the year of origin (11 to 17)			19		30,365		34,980	-	8,029	43,009		
Line 19 expressed in sterling (£000)			29				34,980		8,029			

		month		year														
Year of origin ended		10	12	1994														
Claims closed in the financial year	at no cost (other than reopened claims)			11	-	-	-	-	-	-	-	-	-	-	-	-	-	
	at some cost (other than reopened claims)			12	10,446	6,160	6,864	-	-	-	-	-	-	-	-	13,024	-	
	reopened claims			13	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claims outstanding at the end of the financial year	reported (other than reopened claims)			14	3	18	7	297	-	-	-	-	-	-	-	322	-	
	incurred but not reported (IBNR)			15	-				-	-	-	-	-	-	-	-	-	
	reopened claims			16	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)				17	19,157		26,286	-	-	-	-	-	-	-	-	26,286	-	
Total claims attributable to the year of origin (11 to 17)				19	29,606	6,178	33,157	297	-	-	-	-	-	-	-	39,632	-	
Line 19 expressed in sterling (£000)				29		6,178		297	-	-	-	-	-	-	-		-	

Instructions for completion of this form are printed on the reverse

**General business: Analysis of claims by number and cost**

Name of Company Prime Health Limited

Financial year ended 15.11.95

Country United Kingdom

Currency Sterling

Accounting class Accident and Health

Risk group Private Medical Insurance

Company registration number			Period ended			Monetary Units	Country	Accounting class	For official use	
			day	month	year					
F33	2123483		15	11	1995	£000	AA	1		
For direct insurance and facultative reinsurance business			Number of claims			Amounts of payments made in the financial year	Amounts of payments made in previous financial years relating to claims in column 1	Estimates of payments remaining to be made	Total gross amount paid and outstanding (2+3+4)	
Claims attributable to year of origin ended			month year							
			10	12	1993	1	2	3	4	5
Claims closed in the financial year	at no cost (other than reopened claims)		11			-	-	-	-	-
	at some cost (other than reopened claims)		12			5	8	37	-	45
	reopened claims		13			-	-	-	-	-
Claims outstanding at the end of the financial year	reported (other than reopened claims)		14			1	7	11	79	97
	incurred but not reported (IBNR)		15			-			-	-
	reopened claims		16			-	-	-	-	-
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)			17			26,342		32,517	-	32,517
Total claims attributable to the year of origin (11 to 17)			19			26,348	15	32,565	79	32,659
Line 19 expressed in sterling (£000)			29				15		79	

Year of origin ended			month year			Monetary Units	Country	Accounting class	For official use
			10	12	1992				
Claims closed in the financial year	at no cost (other than reopened claims)	11				-	-	-	-
	at some cost (other than reopened claims)	12			1	2	9	-	11
	reopened claims	13			-	-	-	-	-
Claims outstanding at the end of the financial year	reported (other than reopened claims)	14			5	32	75	289	396
	incurred but not reported (IBNR)	15			-			-	-
	reopened claims	16			-	-	-	-	-
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)		17			17,256		16,184	-	16,184
Total claims attributable to the year of origin (11 to 17)		19			17,262	34	16,268	289	16,591
Line 19 expressed in sterling (£000)		29				34		289	

Instructions for completion of this form are printed on the reverse

**General business: Analysis of claims by number and cost**

Name of Company Prime Health Limited

Financial year ended 15.11.95

Country United Kingdom

Currency Sterling

Accounting class Accident and Health

Risk group Private Medical Insurance

Company registration number			Period ended			Monetary Units	Country	Accounting class	For official use
day	month	year							
F33	2123483	15	11	1995	£000	AA	1		
For direct insurance and facultative reinsurance business			Number of claims			Amounts of payments made in the financial year	Amounts of payments made in previous financial years relating to claims in column 1	Estimates of payments remaining to be made	Total gross amount paid and outstanding (2+3+4)
Claims attributable to year of origin ended			month year						
	10	12	1991	1	2	3	4	5	
Claims closed in the financial year	at no cost (other than reopened claims)		11		-	-	-	-	-
	at some cost (other than reopened claims)		12		-	-	-	-	-
	reopened claims		13		-	-	-	-	-
Claims outstanding at the end of the financial year	reported (other than reopened claims)		14		-	-	-	-	-
	incurred but not reported (IBNR)		15		-			-	-
	reopened claims		16		-	-	-	-	-
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)			17		5,004		4,675	-	4,675
Total claims attributable to the year of origin (11 to 17)			19		5,004	-	4,675	-	4,675
Line 19 expressed in sterling (£000)			29			-		-	

		month		year					
Year of origin ended		10	12	1990					
Claims closed in the financial year	at no cost (other than reopened claims)	11		-	-	-	-	-	
	at some cost (other than reopened claims)	12		-	-	-	-	-	
	reopened claims	13		-	-	-	-	-	
Claims outstanding at the end of the financial year	reported (other than reopened claims)	14		-	-	-	-	-	
	incurred but not reported (IBNR)	15		-			-	-	
	reopened claims	16		-	-	-	-	-	
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)		17		6,260		4,379	-	4,379	
Total claims attributable to the year of origin (11 to 17)		19		6,260	-	4,379	-	4,379	
Line 19 expressed in sterling (£000)		29			-		-		

Instructions for completion of this form are printed on the reverse



**General business: Analysis of claims by number and cost**

Name of Company Prime Health Limited

Financial year ended 15.11.95

Country United Kingdom Currency Sterling

Accounting class Accident and Health

Risk group Private Medical Insurance

Company registration number			Period ended			Monetary Units	Country	Accounting class	For official use
F33 2123483			day	month	year	£000	AA	1	
For direct insurance and facultative reinsurance business			Number of claims			Amounts of payments made in the financial year	Amounts of payments made in previous financial years relating to claims in column 1	Estimates of payments remaining to be made	Total gross amount paid and outstanding (2+3+4)
Claims attributable to year of origin ended			month	year					
10 12 1989			1			2	3	4	5
Claims closed in the financial year	at no cost (other than reopened claims)	11			-	-	-	-	-
	at some cost (other than reopened claims)	12			-	-	-	-	-
	reopened claims	13			-	-	-	-	-
Claims outstanding at the end of the financial year	reported (other than reopened claims)	14			-	-	-	-	-
	incurred but not reported (IBNR)	15			-			-	-
	reopened claims	16			-	-	-	-	-
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)		17			3,225		2,827	-	2,827
Total claims attributable to the year of origin (11 to 17)		19			3,225	-	2,827	-	2,827
Line 19 expressed in sterling (£000)		29				-		-	

Year of origin ended			month	year					
10 12 1988									
Claims closed in the financial year	at no cost (other than reopened claims)	11			-	-	-	-	-
	at some cost (other than reopened claims)	12			-	-	-	-	-
	reopened claims	13			-	-	-	-	-
Claims outstanding at the end of the financial year	reported (other than reopened claims)	14			-	-	-	-	-
	incurred but not reported (IBNR)	15			-			-	-
	reopened claims	16			-	-	-	-	-
Claims closed in previous financial years (excluding those reopened claims shown at lines 13 and 16)		17			539		494	-	494
Total claims attributable to the year of origin (11 to 17)		19			539	-	494	-	494
Line 19 expressed in sterling (£000)		29				-		-	

Instructions for completion of this form are printed on the reverse

THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983

APPENDIX A

Financial Year ended 15th November 1995

Instructions on the completion of various forms

Form 13

1. Long-term business: Form 13 shall be completed for the total long-term business assets of the company or branch and for each fund or group of funds for which separate assets are appropriated. The word "Total" or the name of the fund shall be shown against the heading "Category of Assets". The corresponding code box shall contain "10" for the total assets and, in the case of separate funds, code numbers allocated sequentially beginning with code "11".

2. Other than long-term business: Form 13 shall be completed in respect of the total assets of the company or branch (other than any long-term business assets) and code "1" entered in the code box "Category of Assets".

3. (a) In the case of the United Kingdom branch return of an external company (other than a pure reinsurer) Form 13 shall be completed for the following categories of assets-

Category	Code
Assets deposited with the Accountant General	2
Assets maintained in the United Kingdom	3
Assets maintained in the United Kingdom and the other EEA States	4

(b) In the case of a Community branch return of a United Kingdom deposit company, Form 13 shall be completed for the following categories of assets-

Category	Code
Assets deposited with the Accountant General	2
Assets maintained in the United Kingdom and the EEA States where business is carried on	5
Assets maintained in the United Kingdom and the other EEA States	4

4. Linked assets shall be included in lines 85 and 86 wherever appropriate and not in lines 11 to 83.

5. In line 83 "life interests, reversionary interests and similar interests in property" means those interests of the kind described in regulations 49(2) and 54 of the Insurance Companies Regulations 1994.

6. In line 87 "deduction for inadmissible assets" means the deductions pursuant to regulation 57(2)(b) or (3) of the Insurance Companies Regulations 1994.

**APPENDIX A (Continued)**

**Financial Year ended 15th November 1995**

**Instructions on the completion of various forms**

**Form 13A**

- 1 Form 13A shall be completed in respect of the total assets (other than any long-term business assets), and for the total long-term business assets, if any, of the company or branch. Form 13A shall also be completed for each fund or group of funds and each category of assets referred to in Instructions 1 and 3 to Form 13.
- 2 The codes specified in Instructions 1 to 3 to Form 13 shall be used as appropriate.
- 3 Derivative contracts used in connection with property linked long term contracts shall be excluded from Form 13A. All other derivative contracts shall be included, except for those which are assets of the company but to which regulation 55 of the Insurance Companies Regulations 1994 does not apply.
- 4 The derivative contracts shall be analysed according to the type of assets shown in the second column of this form that represents the principal subject of the contract.
- 5 All amounts in respect of assets and liabilities under derivative contracts (whether with one or more counterparties) shall be shown gross unless there is a legal right of set-off.
- 6 All amounts included at lines 11 to 35 of Form 13A in respect of derivative contracts shall be determined without making any adjustment for the value of assets paid, received or transferred in pursuance of a condition in that contract or a related contract, whether by variation margin or otherwise. The aggregate effect of such assets paid, received or transferred shall be shown at line 41.
- 9 The provision for adverse changes in value shown at 13A.42.2 shall be the amount determined in accordance with regulation 61 of the Insurance Companies Regulations 1994.
- 10 Futures contracts", "Options" and "Contracts for Differences" have the same meaning as in Part VIII of the Insurance Companies Regulations 1994.
- 11 The entry at 13A.51.1 shall be shown at 13.35.1
- 12 The entry at 13A.51.2 shall be included in 14.47.1 or 15.47.1 as appropriate.
- 13 Columns 3 and 4 need not be completed where the previous financial year ended prior to 1st July 1994.

---

Instructions 7 and 8 were deleted by virtue of regulation 34 of the Insurance Companies (Accounts and Statements) Regulations 1996.

**PRIME HEALTH LIMITED**

**THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**APPENDIX A (Continued)**

**Financial Year ended 15th November 1995**

**Instructions on the completion of various forms**

**Form 15**

1. The entry at line 43 shall exclude subordinated loan capital where, and to the extent that, the Secretary of State has, in accordance with section 68 of the Insurance Companies Act 1982, directed that the company may count such capital towards its required minimum margin.
2. The entry at line 46 shall exclude cumulative preference share dividends accrued to the extent that liabilities in respect of such dividends are left out of account in accordance with regulation 23(3) of the Insurance Companies Regulations 1994 and the amount so excluded shall be stated in a note.

**PRIME HEALTH LIMITED**

**THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**APPENDIX A (Continued)**

**Financial Year ended 15th November 1995**

**Instructions on the completion of various forms**

**Form 23**

1. Line 11 shall be completed in respect of the financial year to which the return relates. Columns 1 and 3 will be the same as each other; column 2 will be blank.
2. Lines 12 to 17 shall be completed in respect of the preceding 6 years of origin beginning with the most recent. Years of origin commencing before 1 January 1981 shall not, however, be included.
3. Line 18 will show, in the first financial year for which this form is prepared, a figure in columns 1 and 3 which represents the total claims outstanding at the end of that financial year in respect of all years of origin commencing before 1 January 1981. Column 2 will be blank for the first year. In subsequent financial years the figure at column 1 will remain the same, subject to instruction 4, and column 2 will show the claims paid since the end of the first financial year. When there are no longer any claims outstanding in respect of any year of origin commencing prior to 1 January 1981 information in respect of those years shall cease to be included in line 18.
4. If any claims remain outstanding in respect of a year of origin commencing on or after 1 January 1981 for more than 6 years after the end of that year, information in respect of the year shall be added to any other information included in line 18 until such time as there are no longer any claims outstanding in respect of that year.

**PRIME HEALTH LIMITED**

**THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**APPENDIX A (Continued)**

**Financial Year ended 15th November 1995**

**Instructions on the completion of various forms**

**Form 31**

1 For business other than proportional and non-proportional treaty reinsurance business, and business to be included in Forms 34 and 35 (that is, accounted for on a three-year basis) forms shall be completed as indicated below:

		Coverage	Country code
(a)	for each country not exempted by Regulation 12(1)	one or more forms for each accounting class with a section completed for each risk group carried on in the country	the code for the country
(b)	for UK business not returned under (a)	box 19.5 only of one section of one form for each accounting class	AZ
(c)	for all other business not returned under (a) or (b)	box 19.5 only of one section of one form for each accounting class	YZ

2 If the amounts shown at 31.12.4 and 31.13.4 are in sterling then the same amounts shall be shown also at 31.12.5 and 31.13.5 respectively.

3 The aggregate of the amounts shown at 31.19.5 for all forms within an accounting class shall be the amount shown at 21.41.1 for that accounting class.

**PRIME HEALTH LIMITED**

**THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**APPENDIX A (Continued)**

**Financial Year ended 15th November 1995**

**Instructions on the completion of various forms**

Form 33

1 For business other than proportional and non-proportional treaty reinsurance business, and business to be included in Forms 34 and 35 (that is, accounted for on a three-year basis) forms shall be completed as indicated below:

		Coverage	Country code	Year of origin	
				Month	Year
(a)	for each country not exempted by Regulation 12(1)	one or more forms for each risk group carried on in the country, with a section completed for each year of origin	the code for the country	the last month (eg 6)	the year of the last month (eg 1981)
(b)	for UK business not returned under (a)	one form for each accounting class with boxes 29.2 and 29.4 of one section completed for claims originating in all years of origin	AZ	XX	19XX
(c)	for all other business not returned under (a) or (b)	one form for each accounting class with boxes 29.2 and 29.4 of one section completed for claims originating in all years of origin	YZ	XX	19XX

2 Under 1(a) a form is required for a year of origin commencing before 1 January 1981 only if that year of origin was required to be reported under the Insurance Companies (Accounts and Forms) Regulations 1968.

3 Lines 13 and 16 need not be completed for a year of origin commencing before 1 January 1981. If they are not completed, reopened claims shall be included in lines 11, 12 and 14 as appropriate.

4 If the amounts shown at 33.19.2 and 33.19.4 are in sterling then the same amounts shall be shown also at 33.29.2 and 33.29.4 respectively.

5 Expenses incurred by the company for legal, medical, surveying, engineering and other technical services which are directly attributable to individual claims shall be included as part of the cost of that claim. General administrative expenses are not to be included as part of the cost of the claim and if only such expenses are incurred the claim is to be regarded as settled at no cost.

6 For the purpose of line 11 a claim is not to be regarded as settled at no cost (before deduction of reinsurance recoveries) if any cost of a kind described in the first sentence of Instruction 5 has been incurred by the company specifically in connection with consideration of the claim.

7 A reopened claim is a claim which had been closed in a previous financial year and has been reopened in a different financial year.

8 The aggregate of the amounts shown at 33.29.2 for all forms within an accounting class shall be the sum of the amounts shown at 22.11.2 and 22.14.2 for that accounting class. The aggregate of the amounts shown at 33.29.4 for all forms within an accounting class shall be the sum of the amounts shown at 22.11.3 and 22.14.3 for that accounting class.

**PRIME HEALTH LIMITED**

**THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS  
1983**

**NOTES TO THE RETURNS**

**Financial Year Ended 15th November 1995**

**1. Change of Financial Year**

The Secretary of State for Trade and Industry, in exercise of his power under section 69 of the Insurance Companies Act 1982, has shortened the Company's financial year for the purposes of Part II of the aforementioned Act.

Accordingly the Company's financial year which commenced on 1 January 1995 ended on 15 November 1995, and subsequent financial years will now end on 15 November.

The previous year's figures shown in the returns are those for the financial year ended 31 December 1994.

**2. Accounting Policies**

Premiums due on monthly paid policies, together with the related commission, are accounted for on an annual premium income basis.

**3. Debtors and Creditors**

Certain amounts in Forms 13 and 15 have been calculated by netting amounts due to any one person against amounts due from that person.

**4. Contingent Liabilities (Form 15)**

(a) No charge has been made on the assets of the Company to secure the liabilities of any other person.

(b) No provision has been made for any liability to tax on capital gains which might arise if the company disposed of assets.

(c) There are no contingent liabilities not included on Form 15.



**PRIME HEALTH LIMITED**

**THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS  
1983**

**NOTES TO THE RETURNS**

**CONTINUED**

**Financial Year Ended 15th November 1995**

**5. Unearned Premium**

Unearned premium has been calculated using the 1/24ths method.

**6. Ultimate Holding Company**

The ultimate holding company is The Standard Life Assurance Company, a mutual company registered in Scotland.

**PRIME HEALTH LIMITED**

**STATEMENT IN ACCORDANCE WITH REGULATION 22C OF THE  
INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**ADDITIONAL INFORMATION ON SHAREHOLDER CONTROLLERS**

**Financial Year ended 15th November 1995**

We confirm that the following is a list of all shareholder controllers during the year ended 15 November 1995:

The Standard Life Assurance Company  
3 George Street  
Edinburgh  
EH2 2XZ

The Standard Life Assurance Company held 100% of the ordinary shares of the company, and was entitled to exercise 100% of the voting power at any general meeting of the company.

PRIME HEALTH LIMITED

THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS  
1983

MAJOR REINSURERS REGULATION 17

Financial Year ended 15th November 1995

	Reinsurance Premiums <u>Payable</u> ' 000	Debt due to <u>Prime Health</u> ' 000
Munich Reinsurance Company Limited 154 Fenchurch Street London EC3M 6JJ	8,174	-
Employers Reinsurance International Castle House Castle Hill Avenue Folkestone Kent CT20 2GA	61	-
The Mercantile and General Reinsurance Company plc St James' House St James' Square Cheltenham GL50 3RD	7,707	-
Swiss Reinsurance Company (UK) Limited 71-77 Leadenhall Street London EC3A 2PQ	1,923	-
	<u>17,865</u>	<u>-</u>

FACULTATIVE REINSURERS AND MAJOR CEDANTS REGULATIONS 18 AND 19

Information provided in accordance with Regulations 18 and 19 of the Insurance  
Companies (Accounts and Statements) Regulations 1983.

The company has no facultative reinsurers and no major cedants as defined by the  
above regulations.

**PRIME HEALTH LIMITED**

**CERTIFICATE REQUIRED BY REGULATION 26(a) OF THE INSURANCE  
COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**Financial Year ended 15th November 1995**

We certify:

- (1) in relation to the part of this return comprising Forms 9 to 13, 13A, 15, 16, 20 to 23, 30, 31 and 33;
  - (a) that for the purpose of preparing this return:
    - (i) proper accounting records have been maintained and adequate information has been obtained by the company, and
    - (ii) an appropriate system of control has been established and maintained by the company over its transactions and records;
  - (b) that the value shown for each category of asset has been determined in conformity with Regulation 4 of the Insurance Companies (Accounts and Statements) Regulations 1983 and includes the value of only such assets or such parts thereof as are permitted to be taken into account;
  - (c) that the amount shown for each category of liability (including contingent and prospective liabilities) has been determined in conformity with Regulation 4 of the Insurance Companies (Accounts and Statements) Regulations 1983;
  - (d) that in respect of the company's business which is not excluded by Regulation 32 of the Insurance Companies Regulations 1994, the assets held at the end of the financial year enabled the company to comply with Regulations 27 and 31 (matching and localisation) of the said Regulations; and
  - (e) that the value of the company's assets and the amount of its liabilities have been determined in accordance with paragraph (2) (b) of Regulation 4 of the Insurance Companies (Accounts and Statements) Regulations 1983.

**PRIME HEALTH LIMITED**

**CERTIFICATE REQUIRED BY REGULATION 26(a) OF THE INSURANCE  
COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1983**

**CONTINUED**

**Financial Year ended 15th November 1995**

- (2) in relation to the part of the return comprising statements required by Regulations 17, 18 and 19 of the Insurance Companies (Accounts and Statements) Regulations 1983 that, for the purposes of preparing the statement:
- (a) proper accounts and records have been maintained and, as necessary, reasonable enquiries have been made by the company for the purpose of finding whether any person and any body corporate are connected for the purposes of Regulations 17(1)(b) and (2), and 18(b) and 19(1)(b) and (2) of the Insurance Companies (Accounts and Statements) Regulations 1983; and
  - (b) an appropriate system of control has been established and maintained by the company over its transactions and records;
- (3)
- (a) immediately following the end of the period reported, the amount of the company's required minimum margin was as shown in Form 9;
  - (b) at 15th February 1996, the amount of the company's available assets and quantifiable contingent liabilities (other than those included in Form 15 in accordance with paragraph 10(1) of Schedule 1 to the Insurance Companies (Accounts and Statements) Regulations 1983) were as shown in Form 9;
- (4) the company complied with the following Prudential Guidance Notes published by the Department of Trade and Industry:
- (a) Systems of control over investments (1994/6);
  - (b) Valuation of Assets Regulations (1994/7);
  - (c) Reporting of the use of derivatives (1995/2), and
  - (d) Use of derivative contracts in insurance funds (1995/3).

**P J DALBY  
DIRECTOR**

**S L EVANS  
DIRECTOR**

**T R BAILEY  
SECRETARY**

**Report of the auditors to the Secretary of State for Trade & Industry pursuant to Regulation 27 of the Insurance Companies (Accounts and Statements) Regulations 1983**

**PRIME HEALTH LIMITED**

**Global business**

**Financial year ended 15 November 1995**

We have audited the documents prepared by the company pursuant to section 17 of the Insurance Companies Act 1982 ("the Act") which are to be audited by Regulation 27 of the Insurance Companies (Accounts and Statements) Regulations 1983 ("the Regulations"). These comprise Forms 9 to 13A, 15, 16, 20 to 23, 31 and 33, the statements furnished pursuant to Regulations 17 and 19 on page 33, and the notes on pages 30 and 31, and the certificate provided in accordance with Regulation 26(a) on pages 34 and 35. In the case of the certificate, our audit was restricted in respect of paragraph 2 prescribed by Part 1 of Schedule 6 to the Regulations to the statements made in relation to information furnished pursuant to Regulations 17 and 19.

**Respective responsibilities of the company and its auditors**

The company is responsible for the preparation of returns under the provisions of the Act and the Regulations as modified by an Order issued by the Secretary of State in February 1993. It is our responsibility to form an independent opinion, based on our audit, on those parts of the returns which are subject to audit by virtue of Regulation 27 and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the documents specified by Regulation 27. It also includes an assessment of the significant estimates and judgements made by the company in the preparation of the documents specified by Regulation 27.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the documents specified by Regulation 27 are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated whether the documents had been prepared in the manner specified by the Regulations as modified and fairly stated the information provided on the basis required.

**Report of the auditors to the Secretary of State for Trade & Industry pursuant to  
Regulation 27 of the Insurance Companies (Accounts and Statements)  
Regulations 1983**

**PRIME HEALTH LIMITED**

**Global business**

**Financial year ended 15 November 1995**

**Continued**

**Opinion**

In our opinion:

- (a) the Forms, statements and notes have been properly prepared in accordance with the provisions of the Regulations as modified, and
- (b) according to the information and explanations received by us:
  - (i) the certificate has been properly prepared in accordance with the provisions of the Regulations;  
and
  - (ii) it was reasonable for the persons giving the certificate to have made the statements therein.

**Price Waterhouse  
Chartered Accountants and Registered Auditors**

**St Albans  
10 May 1996**